
State:	District of Columbia	Filing Company:	StarNet Insurance Company
TOI/Sub-TOI:	H02G Group Health - Accident Only/H02G.000 Health - Accident Only		
Product Name:	Occupational Accident		
Project Name/Number:	/		

Filing at a Glance

Company:	StarNet Insurance Company
Product Name:	Occupational Accident
State:	District of Columbia
TOI:	H02G Group Health - Accident Only
Sub-TOI:	H02G.000 Health - Accident Only
Filing Type:	Rate
Date Submitted:	01/16/2020
SERFF Tr Num:	PERR-132224723
SERFF Status:	Assigned
State Tr Num:	
State Status:	
Co Tr Num:	SRNT-GH-OA-DC-2001R
Implementation	On Approval
Date Requested:	
Author(s):	Neresa Torres, Paula Rossman, Mollie Mason
Reviewer(s):	Darniece Shirley (primary), John Morgan
Disposition Date:	
Disposition Status:	
Implementation Date:	

State:	District of Columbia	Filing Company:	StarNet Insurance Company
TOI/Sub-TOI:	H02G Group Health - Accident Only/H02G.000 Health - Accident Only		
Product Name:	Occupational Accident		
Project Name/Number:	/		

General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Group
Submission Type: Resubmission	Previous Filing Number: PERR-132001193
Group Market Size: Small and Large	Group Market Type: Employer, Association, Discretionary, Trust, Other
Explanation for Other Group Market Type: Independent	Overall Rate Impact:
Contract Drivers Affiliated with Motor Carrier	
Filing Status Changed: 01/24/2020	
State Status Changed:	Deemer Date:
Created By: Neresa Torres	Submitted By: Neresa Torres
Corresponding Filing Tracking Number: PERR-132001194	

Filing Description:

On behalf of StarNet Insurance Company (the Company), Perr&Knight is submitting the Company's Group Occupational Accident program for review and approval. The rates are new and are not intended to replace any previously approved by your Department.

Coverages will be offered to independent contract drivers affiliated via contract with a specified motor carrier and other independent contract drivers that may be contracted from time to time by a specified motor carrier. The program will provide coverage for accidental death, dismemberment, paralysis and medical expense coverage for occupational, non-occupational, and passenger accident injuries. In addition, disability coverage may be provided for occupational injuries. Please note that this group Occupational Accident Insurance program is not Workers' Compensation Coverage, nor is it a substitute for Worker's Compensation coverage.

We respectfully request that the proposed materials be implemented for all new policies effective upon approval.

This is a resubmission of SERFF #PERR-132001193.

Enclosed is authorization for Perr&Knight to submit this filing on behalf of the Company. All correspondence related to this filing should be directed to Perr&Knight. If there are any requests for additional information related to items prepared by the Company, we will forward the request immediately to the Company contact. The Company's response will be submitted to your attention as soon as we receive it.

Company and Contact

Filing Contact Information

Neresa Torres, State Filing Analyst III	ntorres@perrknight.com
401 Wilshire Blvd.	310-889-0950 [Phone]
Suite 300	
Santa Monica, CA 90401	

State:	District of Columbia	Filing Company:	StarNet Insurance Company
TOI/Sub-TOI:	H02G Group Health - Accident Only/H02G.000 Health - Accident Only		
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Filing Company Information

(This filing was made by a third party - perrandknightactuaryconsultants)

StarNet Insurance Company	CoCode: 40045	State of Domicile: Iowa
475 Steamboat Road	Group Code: 98	Company Type: Property and
Greenwich, CT 06830	Group Name:	Casualty
(860) 331-2399 ext. [Phone]	FEIN Number: 22-3590451	State ID Number:

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State:	District of Columbia	Filing Company:	StarNet Insurance Company
TOI/Sub-TOI:	H02G Group Health - Accident Only/H02G.000 Health - Accident Only		
Product Name:	Occupational Accident		
Project Name/Number:	/		

Rate Information

Rate data applies to filing.

Filing Method:	Review & Approval
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	
SERFF Tracking Number of Last Filing:	N/A, New Program

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
StarNet Insurance Company	0.700%	0.000%	\$0	0	\$0	0.000%	0.000%

State:

District of Columbia

Filing Company:

StarNet Insurance Company

TOI/Sub-TOI:

H02G Group Health - Accident Only/H02G.000 Health - Accident Only

Product Name:

Occupational Accident

Project Name/Number:

/

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Manual Rate	OA 83 00 08 19, OA 83 01 08 19, OA 83 07 DC 08 19, OA PN 03 08 19, OA 83 02 08 19, OA 83 03 08 19, OA 83 04 08 19, OA 83 05 08 19, OA 83 06 08 19, OA AP 01 08 19, OA AP 02 08 19, DC LAHGA, OA PN 10 DC 08 19	New		StarNet Occ Acc DC Pricing Manual.pdf,

StarNet Insurance Company

Occupational Accident

Manual Rate

Documentation

September 2019

District of Columbia

Section I - Introduction

StarNet Insurance Company's Occupational Accident rates are developed based upon plan design. This manual will allow an underwriter to quote an annual premium for a fully insured Occupational Accident product.

Section II - Premium Development

The premium rate quote is on a composite basis.

Annual Premium Rate Quote =

Benefits

- = (Accidental Death Benefit Claim Cost (1) x Benefit Amount ÷ 1000)
- + (Survivor's Benefit Claim Cost (2) x Benefit Amount ÷ 1000)
- + (Accidental Dismemberment Benefit Claim Cost (3) x Benefit Amount ÷ 1000)
- + (Severe Burn Benefit Claim Cost (4) x Benefit Amount ÷ 1000)
- + (Accidental Paralysis Benefit Claim Cost (5) x Benefit Amount ÷ 1000)
- + (Accident Medical Expense Benefit Claim Cost (6) x Deductible and Maximum Benefit Factor x Incurral Period Factor)
- + (Temporary Total Disability Benefit Claim Cost (7) x Maximum Weekly Benefit Factor)
- + (Continuous Total Disability Benefit Claim Cost (8) x Maximum Weekly Benefit Factor)

X Adjustments

- = Combined Single Limit of Liability Factor (9)
- X Combined Single Limit of Liability Pre-Ex Sublimit Factor (10)
- X Combined Single Limit of Liability Occupational Disease Sublimit Factor (11)
- X Combined Single Limit of Liability Occupational Cumulative Trauma Sublimit Factor (12)
- X MVR Factor (13)
- X Class Factor (14)
- X Commodities Factor (15)
- X Casual Labor Factor (16)
- X Safer Score Factor (17)

- X Underwriting Adjustment (18)

- ÷ Target Loss Ratio (19)

Note: Claim costs or factors for values not explicitly listed in the tables below will be interpolated from the values contained within the appropriate tables.

Section III – Benefits

(1) Accidental Death Benefit

Annual Claim Costs per \$1,000 Benefit

Injury Type	Claim Cost
Occupational	\$0.14170
Non-Occupational	\$0.36665

(2) Survivor's Benefit

Annual Claim Costs per \$1,000 Benefit

Injury Type	Claim Cost
Occupational	\$0.09426
Non-Occupational	n/a

(3) Accidental Dismemberment Benefit

Coverage may be provided for the Accidental Dismemberment losses and benefit levels listed in the table below.

Accidental Dismemberment Benefits

Covered Losses	% of Principal Sum
Both Hands or Both Feet	100%
Sight of Both Eyes	100%
One Hand and One Foot	100%
One Hand and the Sight of One Eye	100%
One Foot and the Sight of One Eye	100%
One Hand or One Foot	50%
Sight of One Eye	50%
Speech and Hearing	50%
Speech or Hearing	25%
Thumb and Index Finger of Same Hand	25%

Annual Claim Costs per \$1,000 Dismemberment Benefit

Injury Type	Claim Cost
Occupational	\$0.00204
Non-Occupational	\$0.00527

(4) Severe Burn Benefit

Coverage may be provided for the Severe Burn losses and benefit levels listed in the table below.

Severe Burn Benefits

Covered Losses	% of Principal Sum
Face, neck and head	100%
Torso below the neck to shoulder joints and hip joints	22.5%
Upper arm below shoulder joint to elbow joint per limb	13.5%
Hand, Forearm below elbow joint per limb	36%
Thigh below hip joint to knee joint per limb	9%
Foot and lower leg below knee joint per limb	27%

Annual Claim Costs per \$1,000 Severe Burn Benefit

Injury Type	Claim Cost
Occupational	\$0.00636
Non-Occupational	\$0.01647

(5) Accidental Paralysis Benefit

Coverage may be provided for the losses and benefit levels listed in the table below.

Accidental Paralysis Benefits

Covered Losses	% of Principal Sum
Quadriplegia	100%
Paraplegia	75%
Hemiplegia	50%
Uniplegia	25%

Annual Claim Costs per \$1,000 Benefit

Injury Type	Claim Cost
Occupational	\$0.08120
Non-Occupational	\$0.21012

(6) Accident Medical Expense Benefit

Annual Claim Costs by Injury Type

Injury Type	Claim Cost
Occupational	\$334.96
Non-Occupational	\$682.38

Deductible and Maximum Benefit Factors – Occupational

Maximum Benefit	\$0 Deductible	\$100 Deductible	\$500 Deductible
\$300,000	0.9684	0.9572	0.9157
\$500,000	0.9870	0.9759	0.9343

Maximum Benefit	\$0 Deductible	\$100 Deductible	\$500 Deductible
\$1,000,000	1.0000	0.9888	0.9472
\$1,500,000	1.0026	0.9914	0.9498
\$2,000,000	1.0043	0.9931	0.9515

Deductible and Maximum Benefit Factors – Non-Occupational

Maximum Benefit	\$0 Deductible	\$100 Deductible
\$2,500	0.2888	0.2822
\$5,000	0.4385	0.4294
\$10,000	0.6185	0.6070
\$25,000	0.8563	0.8432
\$50,000	1.0000	0.9864
\$75,000	1.0680	1.0543
\$100,000	1.1157	1.1018

Incurral Period Factors

Incurral Period	Occupational	Non-Occupational
26 weeks	0.85	0.73
52 weeks	0.97	1.00
104 weeks	1.00	1.06

(7) Temporary Total Disability Benefit

Annual Claim Costs

Waiting Period	Benefit Period	Occupational	Non-Occupational
7 days	52 weeks	\$58.09806	\$150.32874
7 days	104 weeks	\$72.56516	\$187.76235
14 days	52 weeks	\$32.50710	\$84.11211
14 days	104 weeks	\$42.22581	\$109.25927

Maximum Weekly Benefit Factors

Max Weekly Benefit	Factor
\$250	0.577
\$300	0.676
\$400	0.853
\$500	1.000
\$600	1.117
\$700	1.210

(8) Continuous Total Disability Benefit

Annual Claim Costs

Waiting Period	Occupational	Non-Occupational
52 weeks	\$15.88000	\$41.08950
104 weeks	\$14.53161	\$37.60055

Maximum Weekly Benefit Factors

Max Weekly Benefit	Factor
\$250	0.577
\$300	0.676
\$400	0.853
\$500	1.000
\$600	1.117
\$700	1.210

Section IV – Adjustments

(9) Combined Single Limit of Liability Factor

Combined Single Limit of Liability Factor

Combined Single Limit of Liability	Factor
\$300,000	0.88
\$500,000	0.93
\$1,000,000	1.00
\$2,000,000	1.06

(10) Combined Single Limit of Liability Pre-Existing Conditions Sublimit Factor

Pre-Existing Conditions Sublimit Factor

Sublimit	Factor
Coverage Excluded	1.000
\$5,000	1.020
\$10,000	1.040
\$15,000	1.050
\$20,000	1.055
\$25,000	1.060
\$50,000	1.070
No Pre-Ex Limitation	1.075

(11) Combined Single Limit of Liability Occupational Disease Sublimit Factor

Occupational Disease Sublimit Factor

Sublimit	Factor
Coverage Excluded	1.00000
\$1,000	1.00000
\$5,000	1.00001
\$10,000	1.00002
\$20,000	1.00006
\$30,000	1.00012
\$40,000	1.00020
\$50,000	1.00032
\$60,000	1.00045
\$70,000	1.00062
\$80,000	1.00082

Sublimit	Factor
\$90,000	1.00104
\$100,000	1.00130

(12) Combined Single Limit of Liability Occupational Cumulative Trauma Sublimit Factor

Occupational Cumulative Trauma Factor

Sublimit	Factor
Coverage Excluded	1.00000
\$1,000	1.00000
\$5,000	1.00000
\$10,000	1.00020
\$20,000	1.00040
\$30,000	1.00090
\$40,000	1.00160
\$50,000	1.00250
\$60,000	1.00380
\$70,000	1.00530
\$80,000	1.00730
\$90,000	1.00960
\$100,000	1.01240

(13) MVR Factor

MVR Factor

MVR	Factor
Clean <1 ticket	0.95
1 ticket	1.00
1-2 tickets	1.05
>2 tickets	decline

(14) Class Factor

Class Factor

Class	Factor
Long Haul	1.00
M&S	1.00
Courier	0.87
Specialty	1.35

Class	Factor
Flatbed	1.35
Intermodal	1.25

(15) Commodities Factor

Commodities Factor

Commodity	Factor
Class 1	1.00
Class 2	1.00
Class 3	1.10
Decline	Decline

Commodity to Class Mapping

Commodity	Class
Airfreight	Class 3
Alcoholic beverages	Class 3
Animals - other than livestock	Class 1
Appliances (other than TVs, stereos)	Class 2
Auto parts and accessories	Class 2
Automobiles	Class 3
Beer/wine	Class 2
Beverages (non-alcoholic)	Class 1
Boats	Class 3
Building materials	Class 1
Bulk Dry Goods	Class 2
Bulk Liquids	Class 2
Cable	Class 2
Canned goods	Class 2
Cement, sand, gravel or coal	Class 2
Clothing (except designer clothing)	Class 2
Computers	Class 3
Containerized Freight (specific contents TBD)	Class 2
Cosmetics	Class 3
Cotton	Class 2
Dairy Products	Class 2
Designer Clothing	Class 3
Designer/athletic shoes	Class 3
Drugs/Medical Supplies	Class 3
Dry Goods	Class 2
Dump Operations - Including Wood Chips, Sawdust & Bark Dust	Class 3

Commodity	Class
Electronics	Class 3
Farm Products (bulk)	Class 2
Fertilizer	Class 2
Fine Arts	Class 3
Fish - Excluding Shellfish	Class 2
Food Products	Class 2
Frozen or refrigerated Food Products	Class 3
Furniture	Class 2
Furs	Class 3
General Freight - Not otherwise classed	Class 3
General merchandise	Class 2
Glassware	Class 3
Grain, Hay or Feed	Class 1
Hardware	Class 2
Heavy Equipment/Machinery	Class 3
Jewelry	Class 3
Leather Goods	Class 3
Livestock & Cattle	Class 1
Lumber	Class 1
Lumber - Finished products & Paneling	Class 2
Machinery	Class 2
Mail	Class 1
Meat	Class 3
Metals/Steel	Class 2
Milk - In Tankers	Class 1
Office Equipment	Class 2
Oriental rugs	Class 3
Paint & thinners	Class 2
Paper & Paper Products	Class 1
Paper Goods - Finished & Stationery Products	Class 2
Perfume	Class 3
Petroleum Products - Canned	Class 1
Pipe	Class 2
Plants and Nursery Stock	Class 2
Plastics	Class 1
Plumbing Supplies	Class 2
Poultry - dressed	Class 2
Precious metals	Class 3
Produce	Class 2
Radios	Class 3

Commodity	Class
Rugs/Carpets	Class 2
Shellfish	Class 3
Sod	Class 1
Specialized Heavy Haulers	Class 3
Sporting Goods	Class 2
Steel & Construction Metals - Finished/sheet metal products	Class 2
Steel & Construction Metals - Unfinished or in Ingot form	Class 1
Tires	Class 3
Tobacco - Finished Products	Class 3
Tobacco - raw	Class 3
Toys	Class 2
TV	Class 3
Wire (other than Copper)	Class 2

(16) Casual Labor Factor

Casual Labor Factor

Class	Factor
0 temps	1.00
1 temp	1.42
2 temps	1.85
3 temps	2.28

(17) Safer Score Factor

Safer Score Factor

Class	Factor
Above Average	0.95
Average	1.00
Below Average	1.10

(18) Underwriting Adjustment

The starting factor is 1.000. This factor can be adjusted +/- 40% depending upon other group characteristics not addressed by rating factors and prior carrier experience.

(19) Target Loss Ratio

The target loss ratio is 60.0%.

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Product Name:	Occupational Accident		
Project Name/Number:	/		

Supporting Document Schedules

Satisfied - Item:	Cover Letter
Comments:	See General Information- Filing Description
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Certificate of Authority to File
Comments:	
Attachment(s):	StarNet Authorization Letter.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	See component Actuarial Memorandum and Certifications
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Justification
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

State:	District of Columbia	Filing Company:	StarNet Insurance Company
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Satisfied - Item:	Actuarial Memorandum and Certifications
Comments:	
Attachment(s):	StarNet Occ Acc DC Actuarial Memorandum 20200115.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	



June 25, 2019

Re: StarNet Insurance Company, NAIC #: 0098-40045, FEIN #: 22-3590451
Occupational Accident Program

To Whom It May Concern:

Perr&Knight is hereby authorized to submit rate, rule, and form filings on behalf of StarNet Insurance Company. This authorization includes providing additional information and responding to questions regarding the filings on our behalf as necessary.

Please direct all correspondences and inquiries related to this filing to Perr&Knight. If needed, Perr&Knight's mailing address and phone number is below:

State Filings Department
Perr&Knight
401 Wilshire Blvd, Suite 300
Santa Monica, CA 90401
Phone: (310) 889-0973

Please contact me if you have any questions regarding this authorization.

Sincerely,

David A. Hanes

Digitally signed by David A. Hanes
DN: c=US, cn=David A. Hanes, o=Berkley
Shared Services, ou=Assistant Secretary
Date: 2019.06.25 18:09:30 -05'00'

David A. Hanes
Assistant Secretary
Phone: 630-210-0374
Email: dhanes@wrberkley.com



StarNet Insurance Company
Actuarial Memorandum
Occupational Accident Policy
Form OA 83 00 08 19
January 2020
District of Columbia

1. Purpose of Filing

This actuarial memorandum has been created for the purpose of demonstrating that the anticipated loss ratio standard of the product, Occupational Accident, meets the minimum requirements of your state. This memorandum is not intended to be used for other purposes.

2. Description of Benefits

This policy provides occupational accident coverage to owner/operator drivers and other independent contractors who do not have workers' compensation coverage while under contract with the company. Non-occupational accident coverage may also be available, if selected. Sample plan designs can be found the Appendix.

Accidental Death Benefit:

The Accidental Death benefit pays a fixed dollar amount for a covered insured who perishes due to a covered accident. Benefit amounts may vary from \$5,000 to \$300,000 and may differ for occupational vs. non-occupational accidents.

Survivor's Benefit:

If an Accidental Death Benefit is payable under this policy, the Survivor's benefit pays a monthly fixed dollar amount, up to the Principal Sum, to the covered insured's surviving spouse. If there is no surviving spouse, or if the spouse dies or remarries, the Survivor's Benefit will be distributed equally among the surviving Dependent Children. Benefit amounts may vary from \$150,000 to \$300,000.

Accidental Dismemberment Benefit:

The Accidental Dismemberment benefit pays a fixed dollar amount to a covered insured for an occurrence of the following covered dismemberments or injuries.

Benefit Description	% of Principal Sum
Both Hands or Both Feet	100%
Sight of Both Eyes	100%
One Hand and One Foot	100%
One Hand and the Sight of One Eye	100%

Benefit Description	% of Principal Sum
One Foot and the Sight of One Eye	100%
One Hand or One Foot	50%
Sight of One Eye	50%
Speech and Hearing	50%
Speech or Hearing	25%
Thumb and Index Finger of Same Hand	25%

In addition, the Accidental Dismemberment benefit will pay a fixed dollar amount to a covered insured for an occurrence of the following covered severe burns.

Covered Losses	% of Principal Sum
Face, neck and head	100%
Torso below the neck to shoulder joints and hip joints	22.5%
Upper arm below shoulder joint to elbow joint per limb	13.5%
Hand, Forearm below elbow joint per limb	36%
Thigh below hip joint to knee joint per limb	9%
Foot and lower leg below knee joint per limb	27%

Principal sums may vary from \$5,000 to \$300,000 and may differ for occupational vs. non-occupational accidents.

Accidental Paralysis Benefit:

The Accidental Paralysis benefit pays a fixed dollar amount to a covered insured for an occurrence of the following covered types of paralysis.

Covered Losses	% of Principal Sum
Quadriplegia	100%
Paraplegia	75%
Hemiplegia	50%
Uniplegia	25%

Accident Medical Expense Benefit:

The Accident Medical Expense benefit pays eligible expenses, subject to the maximum benefit amount, for a covered insured who incurs charges for and requires medical or dental treatment as a result of an injury from a covered accident. Maximum benefit amounts may differ for occupational vs. non-occupational accidents.

Temporary Total Disability Benefit:

The Temporary Total Disability benefit pays a fixed weekly benefit to a covered insured who suffers from a total disability as a result of an injury from a covered accident. The benefit is paid weekly until the earliest of no longer being totally disabled, returning to

work, having received benefits for the maximum number of weeks shown in the schedule of benefits or reaching the age limit shown in the schedule of benefits. The weekly benefit amount is equal to 70% of the covered insured's Average Weekly earnings, with benefit amounts limited to \$250 to \$700 per week. The number of days after which benefits begin may vary from 7 to 14 days. Benefit amounts and benefit periods may differ for occupational vs. non-occupational accidents.

Continuous Total Disability Benefit:

The Continuous Total Disability benefit pays a fixed weekly benefit to a covered insured who suffers from a total disability as a result of an injury from a covered accident. The benefit is paid weekly until the earliest of no longer being totally disabled, returning to work, having received benefits for the maximum number of weeks shown in the schedule of benefits, reaching the age limit shown in the schedule of benefits or the date at which Social Security Disability Awards stop. The weekly benefit amount is equal to 70% of the covered insured's Average Weekly earnings, with benefit amounts limited to \$250 to \$700 per week. Benefits begin after the maximum benefit period for the Temporary Total Disability is exceeded. Benefit amounts and benefit periods may differ for occupational vs. non-occupational accidents.

3. Renewability

This policy is optionally renewable.

4. Applicability

This is for an open block of business.

5. Marketing and Underwriting Method

This policy will be marketed to company groups utilizing owner/operator drivers and other independent contractors under contract with the company by either salaried sales representatives or selected independent brokers. While the number of these types of groups is anticipated to be low in DC, the Company expects that there will be drivers who live in DC but who are under contract with groups situated in the neighboring jurisdictions of Virginia and Maryland.

This product will be underwritten at the group level with consideration given to the characteristics and prior experience of the group.

6. Rate Development

The manual rate expected claims costs for this policy were developed from a variety of publicly available and proprietary census, morbidity and accident data which include the following:

- U.S. Census Bureau, Statistical Abstract of the United States
- Centers for Disease Control: www.cdc.gov
- Bureau of Labor Statistics: www.bls.gov
- U.S. Department of Labor: www.dol.gov
- National Safety Council Injury Facts: 2015 Edition
- National Hospital Discharge Survey: 2010 Annual Summary with Detailed Diagnosis and Procedure Data
- 2012 SOA IDEC Disability Claim Incidence and Termination Tables
- MarketScan Commercial Claims and Encounters distribution provided by Health and Human Services in the Minimum Value Calculator
- Proprietary group medical and dental claims data

Adjustments to publicly available data were made to account for differences between the publicly available data and an insured population and for the common exclusions of the policy.

Gross premiums are based upon the manual rate expected claims costs and group experience, if credible, that are adjusted for benefit options and then loaded with provisions for expenses, commissions, and profit.

Groups that provide prior experience will have their experience considered in the development of their premium rate.

7. Issue Age Range

Coverage will be issued to ages 18 through 75.

8. Average Annual Premium

The average annual premium for this product is expected to be approximately \$1,500.

9. Trend Assumptions

Not applicable.

10. Persistency

Persistency is not a factor used in the pricing of this product.

11. Interest Rate

Not applicable.

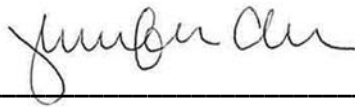
12. Anticipated Loss Ratio

The rates filed in the accompanying rate manual are anticipated to develop a loss ratio of 60.0% based upon our expected distribution of business. Outlined below are the expense components as a percentage of premium, corresponding with the anticipated loss ratio referenced above.

Loss Ratio:	60.0%
Commissions:	20.0%
Expense and Premium Taxes:	15.0%
Profit and Contingency Margin:	<u>5.0%</u>
Total	100.0%

13. Actuarial Certification

In my opinion, rates for the product described in this actuarial memorandum have been developed using reasonable actuarial assumptions and methods. I believe the premiums to be reasonable in relation to the benefits. I certify that, to the best of my knowledge and judgment, the entire rate filing is in compliance with the applicable laws of the state and with the rules of the Department of Insurance, and complies with Actuarial Standard of Practice No. 8, "Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits", as adopted by the Actuarial Standards Board, March, 2014.



Jennifer Choe, ASA, MAAA
Perr&Knight

January 15, 2020

Date

APPENDIX

Sample Plan A	Benefit	Basis
Occupational Benefits		
Accidental Death Benefit	\$25,000	Principal Sum
Survivor's Benefit	\$225,000	Principal Sum
Accidental Dismemberment Benefit	\$250,000	Principal Sum
Accidental Paralysis Benefit	\$250,000	Principal Sum
Severe Burn Benefit	\$250,000	Principal Sum
Accidental Medical Expense Benefit	\$1,000,000	Maximum
	Max	7 days/104
Temporary Total Disability Benefit	\$500/week	weeks
	Max	
Continuous Total Disability Benefit	\$500/week	104 weeks
Non-Occupational Benefits		
Accidental Death Benefit	\$10,000	Principal Sum
Accidental Dismemberment Benefit	\$10,000	Principal Sum
Accidental Medical Expense Benefit	\$10,000	Maximum

Sample Plan B	Benefit	Basis
Occupational Benefits		
Accidental Death Benefit	\$50,000	Principal Sum
Survivor's Benefit	\$150,000	Principal Sum
Accidental Dismemberment Benefit	\$200,000	Principal Sum
Accidental Paralysis Benefit	\$200,000	Principal Sum
Severe Burn Benefit	\$200,000	Principal Sum
Accidental Medical Expense Benefit	\$500,000	Maximum
	Max	
Temporary Total Disability Benefit	\$500/week	7 days/52weeks
	Max	
Continuous Total Disability Benefit	\$500/week	104 weeks
Non-Occupational Benefits		
Accidental Death Benefit	\$5,000	Principal Sum
Accidental Dismemberment Benefit	\$5,000	Principal Sum
Accidental Medical Expense Benefit	\$5,000	Maximum